GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:6259
ANSWERED ON:05.05.2000
IMPORT DUTY ON FOODGRAINS
AJAY SINGH CHAUTALA;SHANKERSINH VAGHELA;SUKDEO PASWAN

Will the Minister of FINANCE be pleased to state:

(a) whether the import duty on several foodgrains has been increased during the last one year in the country;

(b) the extent to which it has been increased foodgrain-wise;

(c) the dates on which this increase has been effected alongwith the reasons therefor; and

(d) the manner in which the farmers of the country are likely to be benefited therefrom?

Answer

MINISTER OF FINANCE (SHRI YASHWANT SINHA)

(a) Yes sir. The rates of basic customs duty have been increased on certain foodgrains.

(b) & (c) The names of foodgrains and the rates of duty fixed are given below:

1.Wheat - 50%,

2.Spelt - 50%,

3.Maize (corn) - 50%,

4.Rice in the husk (paddy or rough) - 80%,

5.Husked (brown) rice - 80%,
6.semi-milled or wholly-milled rice, whether or not polished or glazed - 70%,

7Broken rice - 80%,

8.Grain sorghum - 50% and

9.Millet - 50%.

These changes are expected to discourage the import of these foodgrains. While duty was imposed on wheat with effect from 1.12.99 in order to stimulate its off-take from the Central Pool, in other cases the increase was carried out on 5.4.2000.

(d) The hike in the import duty will regulate the imports of foodgrains; thereby protecting the interests of domestic farmers. This measure, along with the Minimum Support Price (MSP) mechanism of the Govt. will protect the farmers from selling their produce at non-remunerative prices in the wake of competition from the imported produce/products.